

AMENDED IN SENATE JULY 1, 2011

AMENDED IN SENATE JUNE 23, 2011

AMENDED IN ASSEMBLY MAY 10, 2011

AMENDED IN ASSEMBLY MARCH 31, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 656

Introduced by Assembly Member Huber

February 16, 2011

An act to repeal ~~Sections 472.5 and Section 7137.5~~ of the Business and Professions Code, to amend ~~Section 1795.92 of the Civil Code~~, to repeal Article 5 (commencing with Section 14380) of Chapter 3 of Division 5 of the Financial Code, to amend Sections 11121.1 and 26509 of the Government Code, to amend Sections 62.9, 63.6, 71.4, 71.7, 72.6, 76.5, and 76.6 of, to amend the heading of Division 1 (commencing with Section 30) of, to add Chapter 7 (commencing with Section 1220) to Division 5, to add Division 4.5 (commencing with Section 1100) to, to repeal Sections 31 and 704 of, and to repeal Chapter 3 (commencing with Section 80) of Division 1 of, and to repeal Division 5 (commencing with Section 1100) of, the Harbors and Navigation Code, *and* to repeal Chapter 2 (commencing with Section 22000) of Part 3 of Division 2 of the Public Contract Code, ~~and to amend Section 1803.5 of, to repeal Section 232 of, and to repeal Chapter 6 (commencing with Section 3000) of Division 2 of, the Vehicle Code, relating to boards and commissions.~~ (PU RN20112123007) (PU 20110AB__065698AMD) *relating to boards and commissions.*

LEGISLATIVE COUNSEL'S DIGEST

AB 656, as amended, Huber. Boards and commissions: repeal.

Existing law establishes the Credit Union Advisory Committee in the Department of Financial Institutions. The duties of this committee include advising the commissioner and the Deputy Commissioner of Financial Institutions for the Division of Credit Unions on matters relating to credit unions and the credit union business.

Existing law establishes the Boating and Waterways Commission in the Department of Boating and Waterways. The duties of this committee include advising the department, recommending proposed changes to regulations, and causing studies and surveys to be made of the need for small craft harbors and connecting waterways throughout the state.

Existing law establishes the California Uniform Construction Cost Accounting Commission. The duties of this commission include recommending, for adoption by the Controller, uniform construction cost accounting procedures for implementation by public agencies in the performance of, or in contracting for, construction on public projects.

~~Existing law also establishes the New Motor Vehicle Board in the Department of Motor Vehicles. The duties of which include collecting fees for the administration of the certification of third-party dispute resolution processes for new motor vehicles established under the Business and Professions Code and resolving issues raised by protests or petitions filed with the board pursuant to, among other actions, an appeal from a decision of the Department of Motor Vehicles, and the regulation of franchises subject to the Vehicle Code.~~

This bill would, as of January 1, 2014, abolish those boards and commissions and the duties and responsibilities carried out by each of those boards and commissions.

Existing law provides for the regulation and licensing of pilots for Monterey Bay, and the Bays of San Francisco, San Pablo, and Suisun, and the payment of specified pilotage rates and charges imposed on vessels piloted in those bays. Existing law also establishes in the Business, Transportation and Housing Agency, a Board of Pilot Commissioners for Monterey Bay, and the Bays of San Francisco, San Pablo, and Suisun, and prescribes the membership of, and functions and duties of, the board.

This bill would, on January 1, 2014, repeal those provisions that require the licensing of pilots in Monterey Bay, and the Bays of San Francisco, San Pablo, and Suisun, and that require the payment of

specified pilotage rates and charges imposed on vessels piloted in those bays. The bill would also eliminate the board, and would recast and reenact certain provisions that regulate pilots for those bays, as provided.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 472.5 of the Business and Professions~~
2 ~~Code is repealed.~~
3 ~~SEC. 2.~~
4 ~~SECTION 1. Section 7137.5 of the Business and Professions~~
5 ~~Code is repealed.~~
6 ~~SEC. 3. Section 1795.92 of the Civil Code is amended to read:~~
7 ~~1795.92. Manufacturers shall have the following duties:~~
8 ~~(a) A manufacturer shall, within 90 days of the adoption of an~~
9 ~~adjustment program, subject to priority for safety or~~
10 ~~emission-related recalls, notify by first-class mail all owners or~~
11 ~~lessees of motor vehicles eligible under the program of the~~
12 ~~condition giving rise to and the principal terms and conditions of~~
13 ~~the program.~~
14 ~~(b) Copies of all notices mailed in accordance with subdivision~~
15 ~~(a) shall be sent to the Department of Motor Vehicles and made~~
16 ~~available for public inquiries.~~
17 ~~(c) A manufacturer shall, within 30 days of the adoption of any~~
18 ~~new adjustment program, notify its dealers, in writing, of all the~~
19 ~~terms and conditions of the new adjustment program.~~
20 ~~(d) A manufacturer who establishes an adjustment program~~
21 ~~shall implement procedures to assure reimbursement of each~~
22 ~~consumer eligible under an adjustment program who incurs~~
23 ~~expenses for repair of a condition subject to the program prior to~~
24 ~~acquiring knowledge of the program. The reimbursement shall be~~
25 ~~consistent with the terms and conditions of the particular program.~~
26 ~~The manufacturer shall notify the consumer within 21 business~~
27 ~~days of receiving a claim for reimbursement whether the claim~~
28 ~~will be allowed or denied. If the claim is denied, the specific~~
29 ~~reasons for the denial shall be stated in writing.~~
30 ~~(e) Any consumer who, prior to acquiring knowledge of an~~
31 ~~adjustment program, incurs expenses for repair of a condition~~
32 ~~subject to the adjustment program may file a claim for~~

1 reimbursement under subdivision (d). The claim shall be made in
2 writing to the manufacturer within two years of the date of the
3 consumer's payment for repair of the condition.

4 ~~SEC. 4.~~

5 *SEC. 2.* Article 5 (commencing with Section 14380) of Chapter
6 3 of Division 5 of the Financial Code is repealed.

7 ~~SEC. 5.~~

8 *SEC. 3.* Section 11121.1 of the Government Code is amended
9 to read:

10 11121.1. As used in this article, "state body" does not include
11 any of the following:

12 (a) State agencies provided for in Article VI of the California
13 Constitution.

14 (b) Districts or other local agencies whose meetings are required
15 to be open to the public pursuant to the Ralph M. Brown Act
16 (Chapter 9 (commencing with Section 54950) of Part 1 of Division
17 2 of Title 5).

18 (c) State agencies provided for in Article IV of the California
19 Constitution whose meetings are required to be open to the public
20 pursuant to the Grunsky-Burton Open Meeting Act (Article 2.2
21 (commencing with Section 9027) of Chapter 1.5 of Part 1 of
22 Division 2 of Title 2).

23 (d) State agencies when they are conducting proceedings
24 pursuant to Section 3596.

25 (e) State agencies provided for in Section 109260 of the Health
26 and Safety Code, except as provided in Section 109390 of the
27 Health and Safety Code.

28 ~~SEC. 6.~~

29 *SEC. 4.* Section 26509 of the Government Code is amended
30 to read:

31 26509. (a) Notwithstanding any other provision of law,
32 including any provision making records confidential, and including
33 Title 1.8 (commencing with Section 1798) of Part 4 of Division 3
34 of the Civil Code, the district attorney shall be given access to,
35 and may make copies of, any complaint against a person subject
36 to regulation by a consumer-oriented state agency and any
37 investigation of the person made by the agency, where that person
38 is being investigated by the district attorney regarding possible
39 consumer fraud.

1 (b) If the district attorney does not take action with respect to
2 the complaint or investigation, the material shall remain
3 confidential.

4 (c) If the release of the material would jeopardize an
5 investigation or other duties of a consumer-oriented state agency,
6 the agency shall have discretion to delay the release of the
7 information.

8 (d) As used in this section, a consumer-oriented state agency is
9 any state agency that regulates the licensure, certification, or
10 qualification of persons to practice a profession or business within
11 the state, if the regulation is for the protection of consumers who
12 deal with the professionals or businesses. It includes, but is not
13 limited to, all of the following:

- 14 (1) The Dental Board of California.
- 15 (2) The Medical Board of California.
- 16 (3) The State Board of Optometry.
- 17 (4) The California State Board of Pharmacy.
- 18 (5) The Veterinary Medical Board.
- 19 (6) The California Board of Accountancy.
- 20 (7) The California Architects Board.
- 21 (8) The State Board of Barbering and Cosmetology.
- 22 (9) The Board for Professional Engineers and Land Surveyors.
- 23 (10) The Contractors' State License Board.
- 24 (11) ~~Cemetery~~-Cemetery and Funeral Bureau.
- 25 (12) The Structural Pest Control Board within the Department
26 of Pesticide Regulation.
- 27 (13) The Bureau of Electronic and Appliance Repair, Home
28 Furnishings, and Thermal Insulation.
- 29 (14) The Board of Registered Nursing.
- 30 (15) The State Board of Chiropractic Examiners.
- 31 (16) The Board of *Behavioral* Sciences.
- 32 (17) The State Athletic Commission.
- 33 (18) The State Board of Guide Dogs for the Blind.
- 34 (19) The Bureau of Security and Investigative Services.
- 35 (20) The Court Reporters Board of California.
- 36 (21) The Board of Vocational Nursing and Psychiatric
37 Technicians of the State of California.
- 38 (22) The Osteopathic Medical Board of California.
- 39 (23) The Division of Investigation.
- 40 (24) The Bureau of Automotive Repair.

1 (25) The Department of Alcoholic Beverage Control.

2 (26) The Department of Insurance.

3 (27) The Public Utilities Commission.

4 (28) The State Department of Public Health.

5 (29) *The New Motor Vehicle Board*.

6 ~~SEC. 7.~~

7 SEC. 5. The heading of Division 1 (commencing with Section
8 30) of the Harbors and Navigation Code is amended to read:

9
10 DIVISION 1. DEPARTMENT OF BOATING AND
11 WATERWAYS
12

13 ~~SEC. 8.~~

14 SEC. 6. Section 31 of the Harbors and Navigation Code is
15 repealed.

16 ~~SEC. 9.~~

17 SEC. 7. Section 62.9 of the Harbors and Navigation Code is
18 amended to read:

19 62.9. Upon request, the department shall make available to
20 persons owning or operating small craft harbors, information
21 concerning the following:

22 (a) The maintenance and improvement of existing small craft
23 harbor facilities.

24 (b) The application of new technical materials and concepts.

25 (c) The preparation of feasibility reports, environmental impact
26 reports, permits, and other steps required to develop new small
27 craft harbor facilities.

28 ~~SEC. 10.~~

29 SEC. 8. Section 63.6 of the Harbors and Navigation Code is
30 amended to read:

31 63.6. (a) (1) On or before January 15 of each odd-numbered
32 year, the director shall make a report to the Legislature and the
33 Governor covering the operations of the department for the
34 preceding biennium.

35 (2) With respect to Article 5 (commencing with Section 76),
36 the report shall include all of the following:

37 (A) The total amount of loans made in each of the two fiscal
38 years immediately preceding the preparation and submission of
39 the report.

1 (B) For each recipient of a loan during each of the two fiscal
2 years immediately preceding the preparation and submission of
3 the report, the recipient's name, the location of the marina for
4 which the loan was made, and the amount of the loan.

5 (C) The financial status of each loan.

6 (D) Any legislative recommendations.

7 (3) The report shall also include the status of the department's
8 activities related to the monitoring of rates pursuant to Section
9 71.4 and subdivision (d) of Section 76.7.

10 (4) The report shall also include an evaluation of the public
11 participation in the personal watercraft education course developed
12 by the department pursuant to subdivision (b) of Section 668.3
13 and a determination of the effect of the course on personal
14 watercraft safety in California.

15 (b) The department shall also make any special reports that are
16 requested by the Secretary of Resources or the Governor.

17 ~~SEC. 11.~~

18 *SEC. 9.* Section 71.4 of the Harbors and Navigation Code is
19 amended to read:

20 71.4. (a) (1) The department, subject to the approval of the
21 Legislature in accordance with Section 85.2, may make loans to
22 qualified cities, counties, or districts having power to acquire,
23 construct, and operate small craft harbors, for the design, planning,
24 acquisition, construction, improvement, maintenance, or operation
25 of small craft harbors and facilities in connection with the harbors,
26 and connecting waterways, if the department finds that the project
27 is feasible.

28 (2) The minimum annual rate of interest charged by the
29 department for a loan shall be set annually based on the Pooled
30 Money Investment Account interest rate.

31 (b) The department shall establish, by rules and regulations,
32 policies and standards to be followed in making loans pursuant to
33 this section so as to further the proper development and
34 maintenance of a statewide system of small craft harbors and
35 connecting waterways. To the greatest extent possible, the
36 department shall adhere to customary commercial practices to
37 ensure that loans made pursuant to this section are adequately
38 secured and that the loans are repaid consistent with the terms of
39 the loan agreement. Any rules and regulations shall include policies
40 and standards for restrooms, vessel pumpout facilities, oil recycling

1 facilities, and receptacles for the purpose of separating, reusing,
2 or recycling all solid waste materials.

3 (c) The department shall develop weighing and ranking criteria
4 to qualify and prioritize the public loans.

5 (d) A loan under this section shall be repaid as provided in
6 Section 70.

7 (e) Rates to be charged for the use of the boating facilities shall
8 be established by the city, county, or district, subject to the approval
9 of the department, in every loan contract. The department shall
10 concern itself with the rates charged only as prescribed in Section
11 71.8. The rates set shall be based on a monthly berthing charge,
12 and the department shall monitor these rates to ensure that the
13 berthing charges are sufficient to ensure timely and complete
14 repayment of the loan.

15 (f) The department shall submit any project for which it
16 recommends any loan be made to the Governor for inclusion in
17 the Budget Bill.

18 (g) The department may restate an existing loan under this
19 article, upon written request by the borrower.

20 ~~SEC. 12.~~

21 *SEC. 10.* Section 71.7 of the Harbors and Navigation Code is
22 amended to read:

23 71.7. Notwithstanding any other provision of this chapter, or
24 any contract or agreement to the contrary, loan payments on the
25 loan on behalf of Spud Point Marina in the County of Sonoma, as
26 authorized by Schedule (b)(8) of Item 3680-101-516 of Section
27 2.00 of the Budget Act of 1982, and administered by the
28 department, may be renegotiated by the department and the County
29 of Sonoma to solve the fiscal problems involving the marina
30 existing on the effective date of this section as enacted during the
31 1994 portion of the 1993–94 Regular Session.

32 ~~SEC. 13.~~

33 *SEC. 11.* Section 72.6 of the Harbors and Navigation Code is
34 amended to read:

35 72.6. Transfers pursuant to Section 70, loans pursuant to
36 Section 71.4, and grants pursuant to Section 72.5 shall be made
37 by the department.

38 ~~SEC. 14.~~

39 *SEC. 12.* Section 76.5 of the Harbors and Navigation Code is
40 amended to read:

1 76.5. In processing applications under this article, the
2 department shall give priority to applications from qualified private
3 marina owners who have not received previous loans from the
4 department.

5 ~~SEC. 15.~~

6 *SEC. 13.* Section 76.6 of the Harbors and Navigation Code is
7 amended to read:

8 76.6. Loans made under this article shall include, but are not
9 limited to, the following terms and conditions:

10 (a) The minimum annual rate of interest charged by the
11 department for a loan shall be set annually at a rate equal to 1
12 percent per annum plus the prime or base rate of interest.

13 (b) The department shall require collateral in a minimum amount
14 of 110 percent of the loan.

15 (c) The repayment period of a loan shall not exceed 20 years,
16 or be longer than the length of the borrower's leasehold estate,
17 including renewal options, if the loan is based upon a leasehold
18 estate of the borrower.

19 (d) All loans shall amortize the principal over the term of the
20 loan. However, a loan shall become due and payable in full if the
21 borrower sells or otherwise transfers the recreational marina
22 developed with departmental funds, unless the transfer is, by reason
23 of the death of the borrower, to the borrower's heirs.

24 (e) The department's loans shall not be subordinated to any
25 future loans obtained by a private marina owner, except in those
26 cases involving loans acquired for refinancing previous senior
27 loans.

28 (f) The department may allow assumption of loans from the
29 original borrower by future parties, subject to completion of the
30 application process and upon approval by the department.

31 (g) The department may, upon written request by the borrower,
32 restate an existing loan.

33 ~~SEC. 16.~~

34 *SEC. 14.* Chapter 3 (commencing with Section 80) of Division
35 1 of the Harbors and Navigation Code is repealed.

36 ~~SEC. 17.~~

37 *SEC. 15.* Section 704 of the Harbors and Navigation Code is
38 repealed.

1 ~~SEC. 18.~~

2 *SEC. 16.* Division 4.5 (commencing with Section 1100) is
3 added to the Harbors and Navigation Code, to read:

4
5 DIVISION 4.5. PILOTS FOR MONTEREY BAY AND THE
6 BAYS OF SAN FRANCISCO, SAN PABLO, AND SUISUN

7
8 CHAPTER 1. LEGISLATIVE POLICY AND FINDINGS
9

10 1100. The Legislature finds and declares that it is the policy
11 of the state to ensure the safety of persons, vessels, and property
12 using Monterey Bay and the Bays of San Francisco, San Pablo,
13 and Suisun, and the tributaries thereof, and to avoid damage to
14 those waters and surrounding ecosystems as a result of vessel
15 collision or damage, by providing competent, efficient, and
16 regulated pilotage for vessels required by this division to secure
17 pilotage services.

18 1101. The Legislature further finds and declares all of the
19 following:

20 (a) The maritime industry is necessary for the continued
21 economic well-being and cultural development of all California
22 citizens.

23 (b) The Bays of San Francisco, San Pablo, and Suisun provide
24 a vital transportation route for the maritime industry.

25 (c) The increase in vessel size and traffic, and the increase in
26 cargoes carried in bulk, particularly oil and gas and hazardous
27 chemicals, create substantial hazards to the life, property, and
28 values associated with the environment of those waters.

29 (d) The federal government has long adopted the policy of
30 providing minimum standards that ensure port and waterway safety
31 while encouraging state control over pilot qualifications.

32 (e) A program of pilot regulation is necessary in order to
33 ascertain and guarantee the qualifications, fitness, and reliability
34 of qualified personnel who can provide safe pilotage of vessels
35 entering and using Monterey Bay and the Bays of San Francisco,
36 San Pablo, and Suisun.

37 (f) The need to ensure safe and pollution-free waterborne
38 commerce requires that pilotage services be employed in the
39 confined, crowded, and environmentally sensitive waters of those
40 bays.

1 (g) Bar pilotage in the Bays of San Francisco, San Pablo, and
2 Suisun has continuously been regulated by a single-purpose state
3 board since 1850, and that regulation should be continued.

4 (h) The individual physical safety and well-being of pilots is of
5 vital importance in providing required pilot services.

6
7 CHAPTER 2. APPLICATION
8

9 1105. This division applies to pilots for Monterey Bay and the
10 Bays of San Francisco, San Pablo, and Suisun.

11
12 CHAPTER 3. DEFINITIONS
13

14 1110. (a) “Bays of San Francisco, San Pablo, and Suisun”
15 means all the waters of those bays and of the tributaries, ports, and
16 harbors of those bays, and includes the water areas from the south
17 end of San Francisco Bay and from the Ports of Sacramento and
18 Stockton to the Golden Gate Bridge. “Bay of San Francisco, San
19 Pablo, or Suisun” means any of those waters, respectively.

20 (b) “Monterey Bay” means all the waters of that bay and of the
21 tributaries, ports, and harbors of that bay.

22 1112. “High seas” includes all the navigable waters of the
23 Pacific Ocean west of the Golden Gate Bridge, and all navigable
24 waters west of the westward boundary of the pilotage grounds for
25 Monterey Bay.

26 1114. “Pilot” means either of the following:

27 (a) A person who pilots vessels including an inland pilot.

28 (b) A person licensed as a bar pilot for the Bays of San
29 Francisco, San Pablo, and Suisun prior to January 1, 2013.

30 1114.5. “Pilotage grounds” means all waters extending
31 eastward from the precautionary area surrounding buoy SF to, and
32 including, the Bays of San Francisco, San Pablo, and Suisun, and
33 also includes the waters of Monterey Bay, eastward of a straight
34 line drawn between Point Santa Cruz Light and Point Pinos Light.

35
36 CHAPTER 4. EXCLUSIVE RIGHTS AND DUTIES OF PILOTS
37

38 1125. (a) Pilots have exclusive authority, to the extent not
39 provided otherwise by federal law, to pilot vessels from the high
40 seas to Monterey Bay and the Bays of San Francisco, San Pablo,

1 and Suisun and the ports thereof, and from those bays and ports
2 to the high seas. They shall also have exclusive authority to pilot
3 vessels within and along the waters of those bays, except as
4 otherwise set forth in this division.

5 (b) Nothing in this division shall interfere with pilotage
6 regulations of Monterey Bay and of the Ports of Sacramento and
7 Stockton, nor prevent the regulatory authority of those ports from
8 utilizing the pilots covered by this division.

9 1126. (a) A person may also be enjoined from engaging in the
10 pilotage prescribed by a court of competent jurisdiction.

11 (b) This section does not apply to any of the following persons:

12 (1) The master of a vessel who has relieved the pilot to ensure
13 the safe operation of the vessel, but only from the point where the
14 pilot is relieved to the closest safe berth or anchorage, or the high
15 seas if closer than a safe berth or anchorage.

16 (2) Persons piloting vessels pursuant to the valid regulatory
17 authority of the Port of Sacramento or the Port of Stockton.

18 (3) Persons piloting vessels sailing under an enrollment.

19 (4) Persons piloting noncommercial vessels.

20 1127. (a) The Legislature finds and declares that it is the policy
21 of the state to ensure the safety of persons, property, and vessels
22 using the waters of Monterey Bay and the Bays of San Francisco,
23 San Pablo, and Suisun and to avoid damage to those waters and
24 surrounding ecosystems as a result of vessel collision or damage
25 by providing competent, efficient, and regulated pilotage for vessels
26 required by this division to secure pilotage services.

27 (b) This section does not supersede, modify, or otherwise alter
28 pilot practices that are not safety related, including, but not limited
29 to, the determination of rates charged for pilot services or
30 employer-employee relationships for individuals, agencies, or
31 organizations involved in providing pilotage services between any
32 port of Monterey Bay and the Bays of San Francisco, San Pablo,
33 and Suisun and any other port of the United States that is in
34 existence on December 31, 1995, or otherwise abridge the authority
35 of local port or harbor districts relating to pilotage in effect on
36 December 31, 1995.

37 (c) A vessel sailing under a coastwise license or appropriately
38 endorsed registry and engaged in the coasting trade between a port
39 of Monterey Bay and the Bays of San Francisco, San Pablo, and
40 Suisun and another port of the United States is exempt from all

1 pilotage charges. A foreign vessel and a vessel bound between a
2 foreign port and a port of Monterey Bay and the Bays of San
3 Francisco, San Pablo, and Suisun, and a vessel sailing under a
4 register between a port of Monterey Bay and the Bays of San
5 Francisco, San Pablo, and Suisun and another port of the United
6 States, shall use a pilot or inland pilot, except as otherwise provided
7 by law.

8 (d) Subdivision (c) does not apply to a vessel that is less than
9 750 gross tons and is manufactured and used for private recreation.

10 1128. A nonself-propelled vessel in tow of a tug within
11 Monterey Bay and the Bay of San Francisco, San Pablo, or Suisun,
12 or between those bays, is exempt from pilotage charges.

13 1130. A majority of all of the pilots shall appoint one pilot to
14 act as port agent to carry out applicable laws, and to otherwise
15 administer the affairs of the pilots.

16 1132. Every pilot in charge of a vessel arriving in Monterey
17 Bay and the Bay of San Francisco, San Pablo, or Suisun, shall
18 safely moor the vessel in place and position as directed by the
19 master of the vessel, consistent with safe navigation and not
20 contrary to law.

21 1133. Every pilot in charge of a vessel leaving the Bays of San
22 Francisco, San Pablo, and Suisun shall pilot it from its point of
23 departure to a point beyond the San Francisco bar. Every pilot in
24 charge of a vessel leaving Monterey Bay shall pilot it from its
25 point of departure to a point westward of the pilotage grounds.

26
27 CHAPTER 5. PENSION PLAN
28

29 1160. There is hereby established a San Francisco Bar Pilot
30 Pension Plan which is continued in existence as the San Francisco
31 Pilot Pension Plan.

32 1161. All amounts generated by the pension plan shall be used
33 solely to pay pensions to retired pilots and inland pilots, disabled
34 pilots and inland pilots, the surviving spouses of pilots and inland
35 pilots, and to pay the expenses of the plan.

36 1163. (a) (1) (A) Each retired pilot and inland pilot, who has
37 completed 25 full years of service as a pilot or inland pilot, or both,
38 shall receive, as a target monthly pension, an amount that is initially
39 equal to 46 percent of an amount that is an average of the highest
40 three of the last five years of audited annual average net income

1 per pilot, prior to the pilot's or inland pilot's retirement, divided
2 by 12, which initial target monthly pension amount shall be subject
3 to periodic adjustment pursuant to Section 1167. Pilots or inland
4 pilots with other than 25 full years of service as a pilot or inland
5 pilot, or both, shall receive a monthly pension in an amount that
6 is determined by multiplying the above calculated target monthly
7 pension by a fraction, the numerator of which shall be the number
8 of full years of service that the pilot or inland pilot has rendered
9 and the denominator of which shall be 25, which initial monthly
10 pension amount shall be subject to periodic adjustment pursuant
11 to Section 1167.

12 (B) Each disabled pilot or inland pilot shall receive as an initial
13 target monthly pension an amount that is based on 46 percent of
14 the greater of the following, which amount shall be subject to
15 periodic adjustment pursuant to Section 1167:

16 (i) An amount that is the average of the highest three of the last
17 five years of audited annual average net income per pilot divided
18 by 12 and multiplied by a fraction, the numerator of which shall
19 be the number of full years of service that the pilot or inland pilot
20 has rendered and the denominator of which shall be 25.

21 (ii) The audited annual average net income per pilot, for the last
22 year prior to the pilot's or inland pilot's disability, divided by 12
23 and multiplied by a fraction, the numerator of which shall be the
24 number of full years of service that the pilot or inland pilot has
25 rendered and the denominator of which shall be 25.

26 (C) Each pilot who retired before January 1, 1985, shall receive
27 as an initial target monthly pension an amount that is one hundred
28 seventy-eight dollars (\$178) multiplied by the number of full years
29 of service he or she performed as a pilot licensed under this
30 division, which amount shall be subject to periodic adjustment
31 pursuant to Section 1167.

32 (D) Each pilot who retired on or after January 1, 1985, or each
33 inland pilot who retired after January 1, 1993, shall receive as an
34 initial target monthly pension an amount that is the greater of the
35 following, which amount shall be subject to periodic adjustment
36 pursuant to Section 1167:

37 (i) An amount that is calculated by multiplying one hundred
38 seventy-eight dollars (\$178) by the number of full years of service
39 the pilot or inland pilot performed as a pilot or inland pilot licensed
40 under this division.

1 (ii) An amount that is 46 percent of the average of the highest
2 three of the last five years of audited annual average net income
3 per pilot, prior to the pilot's or inland pilot's retirement, divided
4 by 12 and multiplied by a fraction, the numerator of which is the
5 pilot's or inland pilot's actual number of full years of service and
6 the denominator of which is 25.

7 (2) A pilot or inland pilot who retires or becomes disabled shall
8 not begin to receive a pension until the beginning of the benefit
9 payment period next following the date on which the pilot or inland
10 pilot retires or becomes disabled.

11 (3) A pilot or inland pilot shall not receive any benefits pursuant
12 to the pension plan in any benefit payment period unless the pilot's
13 or inland pilot's resignation as an active pilot or inland pilot
14 specifying a proposed date of retirement was submitted, in writing,
15 to the board, prior to November if the pilot's or inland pilot's
16 retirement is to be effective the first day of the following January,
17 prior to February if the pilot's or inland pilot's retirement is to be
18 effective the first day of the following April, prior to May if the
19 pilot's or inland pilot's retirement is to be effective the first day
20 of the following July, or prior to August if the pilot's or inland
21 pilot's retirement is to be effective the first day of the following
22 October. The pilot's or inland pilot's resignation as an active pilot
23 or inland pilot shall become effective on either January 1, April
24 1, July 1, or October 1, as specified in the written resignation.

25 (4) If a retired or disabled pilot or inland pilot who is receiving
26 a pension dies without a surviving spouse, the pilot's or inland
27 pilot's successor in interest shall receive the monthly pension for
28 the remainder of the benefit payment period within which the death
29 occurs, after which time the monthly pension shall cease.

30 (b) (1) The surviving spouse of a deceased pilot who is eligible
31 for a pension pursuant to paragraph (1) of subdivision (e) of Section
32 1164 and the surviving spouse of a deceased inland pilot who is
33 eligible for a pension pursuant to paragraph (2) of subdivision (e)
34 of Section 1164 shall each receive, as a monthly pension,
35 three-fourths of the amount that the deceased pilot or inland pilot
36 would have received as a monthly pension pursuant to this section
37 had the pilot or inland pilot lived, calculated as if the deceased
38 pilot or inland pilot had been disabled pursuant to subparagraph
39 (B) of paragraph (1) of subdivision (a).

(2) If a retired or disabled pilot or inland pilot who was receiving a pension dies, the surviving spouse shall continue to receive the full amount of the monthly pension to which the deceased pilot or inland pilot was entitled for the balance of the benefit payment period within which the death occurs, after which the surviving spouse shall receive the amount specified in paragraph (1).

(3) If a surviving spouse receiving a pension dies, the surviving spouse's successor in interest shall receive the monthly pension for the remainder of the benefit payment period within which the death occurs, after which time the monthly pension shall cease.

(c) For the purpose of the computations described in paragraph (1) of subdivision (a), six months or more of service by a pilot or inland pilot shall be considered a full year.

(d) Except as provided otherwise in this section and paragraph (4) of subdivision (e) of Section 1164, monthly pension amounts payable pursuant to this section to retired pilots and inland pilots and to their surviving spouses are payable for the life of that retired pilot, inland pilot, or spouse.

(e) To determine an inland pilot's full years of service under this chapter, any periods of service that an inland pilot has performed as a pilot shall be added to any service time performed as an inland pilot after January 1, 1987.

(f) In calculating the benefits of a retired or disabled pilot who was issued an original pilot's license in 1985 and who was not thereafter issued an inland pilot's license, or in calculating the benefits of the widow of such a pilot who is deceased, the number of years of service used in the calculation shall be the greater of the following:

(1) The actual number of full years of service the pilot has rendered.

(2) Ten years.

1164. (a) Except as provided in subdivision (b), a pilot shall be eligible for the pension provided in Section 1163 if the pilot meets all of the following requirements:

(1) Held a license as a pilot and served at least 10 years in that capacity or has attained 62 years of age, whichever occurs first.

(2) Retired after January 1, 1972.

(3) Is at least 60 years of age.

(b) A disabled pilot shall be eligible for the pension provided in Section 1163 if it has been determined by the board, based upon

1 competent medical evidence, that the pilot is unable to perform
2 the duties of a pilot. As used in this chapter, “disabled” means a
3 disability of permanent or extended and uncertain duration, as
4 determined by the board, on the basis of competent medical
5 opinion.

6 (c) Except as provided in subdivision (d), an inland pilot shall
7 be eligible for the pension provided in Section 1163 if the inland
8 pilot meets all of the following requirements:

9 (1) Held a license as an inland pilot and served at least 10 years
10 in that capacity after January 1, 1987, or has attained 62 years of
11 age, whichever occurs first.

12 (2) Retired after January 1, 1987.

13 (3) Is at least 60 years of age.

14 (4) Since January 1, 1987, has held himself or herself out as
15 providing pilotage assistance to the entire shipping industry
16 consistent with the inland pilot’s license.

17 (5) For services provided after January 1, 1994, performs a
18 minimum of 75 assignments per calendar year unless excused from
19 performance of that requirement due to medical needs satisfactory
20 to the board.

21 (d) A disabled inland pilot who meets the requirements of
22 paragraph (4) of subdivision (c) shall be eligible for the pension
23 provided in Section 1163 if it has been determined by the board,
24 based upon competent medical evidence, that the inland pilot is
25 unable to perform the duties of an inland pilot.

26 (e) (1) A surviving spouse of a deceased pilot shall be eligible
27 for the pension provided in subdivision (b) of Section 1163 if that
28 deceased pilot died after January 1, 1972, and that deceased pilot
29 had held a license as a pilot.

30 (2) A surviving spouse of a deceased inland pilot shall be
31 eligible for the pension provided in subdivision (b) of Section 1163
32 if the deceased inland pilot died after January 1, 1987, had held a
33 license as an inland pilot, and since January 1, 1987, had held
34 himself or herself out as providing pilotage assistance to the entire
35 shipping industry consistent with the inland pilot’s license.

36 (3) In order for a surviving spouse to be eligible for any pension
37 benefits pursuant to this chapter, the surviving spouse shall have
38 been legally married to the deceased pilot or inland pilot for at
39 least one year prior to the deceased pilot’s or inland pilot’s death.

(4) A surviving spouse of a deceased pilot or inland pilot shall neither be eligible for, nor receive, pension benefits pursuant to this chapter if the surviving spouse remarries. If a surviving spouse who is receiving a monthly pension under this chapter remarries, the surviving spouse's successor in interest shall receive the amount of the monthly pension for the remainder of the benefit payment period as if the surviving spouse had died, in accordance with paragraph (3) of subdivision (b) of Section 1163.

1165. (a) A charge shall be levied for pilotage services at a rate necessary to provide the benefits to be paid out pursuant to the pension plan. The additional rate shall be determined as follows:

(1) On March 1, June 1, September 1, and December 1 of each year, the number of persons eligible to receive benefits under the plan, their identities, the calculated amount each shall be entitled to receive, and the total amount to be paid out to all of those persons during each month of the next three-month period shall be determined by the fiduciary agent or agents.

(2) After the total amount to be paid out monthly under the plan has been determined, the rate necessary to provide that amount each month shall be calculated by the fiduciary agent or agents. The rate shall be based upon the volume of shipping, in gross registered tons, handled by pilots under this division for the 12-month periods ending the previous September 30 for benefit periods commencing the following January 1, ending the previous December 31 for benefit periods commencing the following April 1, ending the previous March 31 for benefit periods commencing the following July 1, and ending the previous June 30 for benefit periods commencing the following October 1, respectively. The rate shall be expressed as mills per gross registered ton and shall be calculated to the nearest one-hundredth of a mill.

(3) The estimated cost of the services of the fiduciary agent or agents to administer the pension plan shall be calculated by the fiduciary agent or agents for the benefit periods described in paragraph (2), shall be expressed as mills per gross registered ton, and shall be calculated to the nearest one-hundredth of a mill.

(b) The rate determined pursuant to paragraphs (1), (2), and (3) of subdivision (a) shall become effective on January 1 of the following year with respect to the September 30 calculations, on April 1 of the following year with respect to the December 31

1 calculations, on July 1 of that year with respect to the March 31
2 calculations, and on October 1 of that year with respect to the June
3 30 calculations. The rates shall be in effect for the succeeding
4 benefit payment period.

5 1166. (a) The benefits actually paid out each month by the
6 fiduciary agent or agents designated by the board to all retired and
7 disabled pilots and inland pilots, to surviving spouses of deceased
8 pilots and inland pilots, and to successors in interest shall be equal
9 to the revenue received pursuant to Section 1165 during the
10 preceding month less the expenses of the fiduciary agent or agents
11 incurred during that month. The revenue, whether greater or less
12 than the amount used in determining the tonnage rates under this
13 chapter to provide the aggregate target pensions to which those
14 persons are entitled according to Section 1163, shall be paid to
15 each of them in proportion to the relative target amounts to which
16 they are entitled, after payment of the expenses of the fiduciary
17 agent or agents.

18 (b) Revenues for any month or year are the amounts to be
19 received pursuant to the pension plan for pilotage during that month
20 or year. The fiduciary agent or agents shall determine which
21 accounting system shall be used to make the payment, provided
22 that, if the accrual method is used, it shall be subject to later
23 equitable adjustments for unpaid receivables.

24 (c) Benefits pursuant to the new rate calculations shall be paid
25 commencing in February, May, August, and November of each
26 year and shall continue through, and include, the next following
27 April, July, October, and January, respectively, so that each benefit
28 pension period equals three months of payments. The period during
29 which benefits are paid is the benefit payment period.

30
31 CHAPTER 6. EFFECTIVE DATE

32
33 1170. This division shall become operative on January 1, 2014.

34 ~~SEC. 19.~~

35 *SEC. 17.* Chapter 7 (commencing with Section 1220) is added
36 to Division 5 of the Harbors and Navigation Code, to read:

CHAPTER 7. REPEAL DATE

1220. This division shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2014, deletes or extends that date.

~~SEC. 20.~~

~~SEC. 18.~~ Chapter 2 (commencing with Section 22000) of Part 3 of Division 2 of the Public Contract Code is repealed.

~~SEC. 21.~~ Section 232 of the Vehicle Code is repealed.

~~SEC. 22.~~ Section 1803.5 of the Vehicle Code, as added by Chapter 216 of the Statutes of 2010, is amended to read:

~~1803.5. (a) In accordance with Section 41501 or 42005, the clerk of a court or hearing officer, when a person who receives a notice to appear at a court proceeding for a violation of any statute relating to the safe operation of vehicles is granted a continuance of the proceeding in consideration for completion of a program at a school for traffic violators, that results in a designation of the conviction as confidential in consideration for that completion, shall prepare an abstract of the record of the court or board proceeding that indicates that the person was convicted of the violation and ordered to complete a traffic violator program, certify the abstract to be true and correct, and cause the abstract to be forwarded to the department at its office at Sacramento within five days after receiving proof that the program was completed or the due date to which the proceeding was continued, whichever comes first.~~

~~(b) This section shall become operative on July 1, 2011.~~

~~SEC. 23.~~ Chapter 6 (commencing with Section 3000) of Division 2 of the Vehicle Code is repealed.

~~SEC. 24.~~

~~SEC. 19.~~ This act shall become operative January 1, 2014.